



March 10, 2015

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2014-7-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending December 31, 2014, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Tom Allen (via UPS overnight)
ORS – John Flitter (via UPS overnight)
Shannon Hudson
James H. Jeffries IV

CERTIFICATION

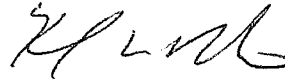
I, Thomas E. Skains and Karl W. Newlin, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

March 2, 2015

Date Signed

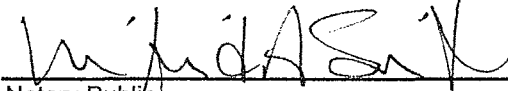


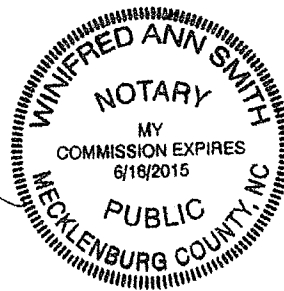
Karl W. Newlin
Senior Vice President and CFO

3/2/2015

Date Signed

Subscribed and Sworn to before me this
2nd day of March, 2015.


Notary Public



My Commission Expires 6/16/2015.

Net Operating Income and Rate of Return
For The Twelve Months Ended December 31, 2014
South Carolina
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	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 154,827,842	\$ (20,469,051)	\$ 134,358,791
Other Operating Revenues	971,917	-	971,917
Total Operating Revenue	<u>\$ 155,799,759</u>	<u>\$ (20,469,051)</u>	<u>\$ 135,330,708</u>
Operating Expenses			
Cost of Gas	\$ 85,311,824	\$ (18,210,547)	\$ 67,101,277
Other Operation & Maintenance	26,384,212	(254,605)	26,129,607
Depreciation	11,889,314	1,252,475	13,141,789
General Taxes	7,131,730	(121,212)	7,010,518
State Income Taxes	1,280,847	(437,808)	843,039
Federal Income Taxes	6,447,622	(864,214)	5,583,408
Amort. of ITC	(18,821)	-	(18,821)
Total Operating Expenses	<u>\$ 138,426,729</u>	<u>\$ (18,635,912)</u>	<u>\$ 119,790,818</u>
Net Operating Income	\$ 17,373,030	\$ (1,833,139)	\$ 15,539,891
Interest on Customer Deposits	(100,182)	-	(100,182)
Amortization of Debt Redemption Premium	-	-	-
AFDUC	163,066	-	163,066
Customer Growth	121,611	(12,832)	108,779
Net Operating Income For Return	<u>\$ 17,557,525</u>	<u>\$ (1,845,971)</u>	<u>\$ 15,711,554</u>
Original Cost Rate Base			
Plant in Service	\$ 470,596,445	\$ -	\$ 470,596,445
Accumulated Depreciation	(199,099,068)	-	(199,099,068)
Net Plant in Service	\$ 271,497,377	\$ -	\$ 271,497,377
Add:			
Construction Work in Progress	8,126,579	-	8,126,579
Materials and Supplies	11,949,030	-	11,949,030
Cash Working Capital	2,568,751	(31,826)	2,536,925
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	2,983,720	-	2,983,720
Accumulated Deferred Income Taxes	63,997,613	-	63,997,613
Unclaimed Funds	72,775	-	72,775
Total Original Cost Rate Base	<u>\$ 227,087,629</u>	<u>\$ (31,826)</u>	<u>\$ 227,055,803</u>
Return on rate base	<u>7.73%</u>		<u>6.92%</u>

Net Operating Income and Rate of Return
For The Twelve Months Ended December 31, 2014
South Carolina
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			After Accounting and Proforma Adjustments						
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Calculated Ratio %	* Agreed to Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 1,409,309,355	\$ -	\$ 1,409,309,355	51.29%	45.00%	\$ 102,175,112	5.04%	2.27%	\$ 5,149,626
2. Common Equity	1,338,567,229	-	1,338,567,229	48.71%	55.00%	124,880,692	8.46%	4.65%	10,561,928
3. Total	<u>\$ 2,747,876,584</u>	<u>\$ -</u>	<u>\$ 2,747,876,584</u>	<u>100.00%</u>	<u>100.00%</u>	<u>\$ 227,055,804</u>		<u>6.92%</u>	<u>\$ 15,711,554</u>

*Note: Based on Agreement, the Common Equity Ratio will not fall below 55% or go above 57% and the Long-Term Debt Ratio will not fall below 43% or go above 45%

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and UPS Overnight upon:

John Flitter
Tom Allen
Shannon Bowyer Hudson
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jflitter@regstaff.sc.gov
tallen@regstaff.sc.gov
shudson@regstaff.sc.gov

And that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email or U.S. Mail upon:

David Carpenter
Vice President
Planning and Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

and

Pia Powers
Director - Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 10th day of March, 2015.

s/ Scott M. Tyler
Scott M. Tyler